New Orleans States-Item 21 September 1967

Bar Owner Testifies At Hearing on Crime

The Orleans Parish Grand Jury heard testimony from a Bourbon st. nightclub owner and the New Orleans police superintendent today as it resumed its probe into accusations that organized crime is flourishing here.

Frank Caracci, who runs the 500 Club, went into the jury room about 10:30 a. m. He was followed by Police Supt. Joseph I. Giarrusso. None of the testimony was made public, as grand jury proceedings are secret.

First on the stand as the afternoon session got under way was Pershing Gervais, a former aide to District Attorney Jim Garrison. Also under subpena for this afternoon was Aaron Kohn, managing director of the Metropolitan Crime Commission.

ORAN SANDERS, grand jury foreman, whisked past newsmen as he re-entered the jury room for the afternoon session. They asked him if the jury planned to take action on Kohn's suggestion that

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Garrison and Criminal District Judge Malcolm V. O'Hara be recused from the probe.

"No comment today, man!" was Sanders' reply.

Before going into the jury room this morning, Caracci told the States-Item he does not know anything about organized crime.

"If that's what this is all about, they're really off base," he said.

Kohn assisted Life Magazine in gathering information on alleged racketeering influences in Louisiana.

GARRISON initiated the probe last week, saying he would resign if the charges proved true and that Kohn should do likewise if they are not.

Kohn and other officers of the MCC appeared before the jury last week.

Also subpenaed were Lt. Clarence Giarrusso, commander of the narcotics squad, and Lt. Fredrick Soule, vice squad chief.

Outside the jury room, Supt. Giarrusso was asked if he thought there was any organized crime in New Orleans. He said:

"ANY COMMUNITY has a potential threat of organized crime, but whether it is flourishing here is another matter."

He had no comment on the Life charges.

Gervais did, however. He was mentioned unfavorably in the magazine article.

He called Life a "new comic book," and said its allegations regarding him were "totally untrue."

Gervais said he has no information about organized crime, and if there were any here, he added, "I think I would know about it. I know my way around this city."

HE TERMED the MCC a "lunatic fringe" and added:

"We have pretty good government in New Orleans, but not a Utopia. That's why we have elected officials.

"If Mr. Kohn had his way, we'd have appointed officials. Mr. Kohn would watch them, but we'd have a small problem. Who'd watch Mr. Kohn?"

PERSHING GERVAIS

FRANK CARACCI

POLICE SUPT. JOSEPH I. GIARRUSSO